



STATE OF DELAWARE
DEPARTMENT OF FINANCE
DIVISION OF ACCOUNTING

820 SILVER LAKE BOULEVARD
SECOND FLOOR, SUITE 200, (D570C)
DOVER, DELAWARE 19904

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TELEPHONE: (302) 672-5500

M E M O R A N D U M
#08-16

TO: All Department and School Fiscal Officers

FROM: Trisha L. Neely, Director

DATE: April 11, 2008

SUBJECT: ANNUAL CAPITAL ASSETS INVENTORY & TRAINING

The State has a significant investment in capital assets. To improve financial reporting, accountability and operational efficiencies in managing these assets, we must continue to maintain accurate property inventory records. Capital assets are the largest single category on the State's balance sheet. In order to maintain a clean audit opinion and a strong bond rating, it is absolutely essential that the capital asset information in the Fixed Asset Accounting Subsystem (FAAS) is correct.

In accordance with the Budget and Accounting Policy Manual (Section XV, V, A,1), "A physical inventory of the property must be taken and the results reconciled with the property records every year". This section was updated from the previous requirement of "at least every two years" to better comply with GAAP reporting and audit findings. Once a physical inventory has been performed please fill out the attached Property Inventory Reconciliation form. The Reconciliation Form, also found on our website, must be completed and returned to this office, to the attention of Dawn Haw-Young by **July 30, 2008**. Documentation to support that a physical inventory was performed must be made available for review by the auditors during the fiscal year 2008 financial audit.

The GAAP Report of Capital Assets (Report number F25F2705) will be available through Mobius after **April 1, 2008**. This report shows only those items, which will be used as the basis for reporting capital assets in the fiscal year 2008 CAFR. Please review this report carefully and make any necessary adjustments, such as additions and deletions, prior to the close of the fiscal year.

All furniture, equipment, and vehicles with a useful life of more than one (1) year and a purchase or acquisition cost of more than \$25,000 per item are required to be included and maintained in the State's FAAS. Furthermore, all buildings and land are to be **at any value**. Building improvements and land improvements are to be reported if the cost is greater than \$100,000. Computer software must be reported with a value of \$1 million or more. Please refer to the Capital Asset Accounting Manual for further information and instruction.

Construction-work-in-progress will be reported as part of the GAAP package and entered on-line into the GMEN System. Computer software-in-progress should be tracked similar to construction-work-in-progress. It should also be reported as part of the GAAP package and entered in the GMEN system. Please refer to the GAAP Manual for instructions.

The Division of Accounting will be offering training for employees new to capital assets and those who need refresher training. The two training courses offered are:

- Capital Asset Policy Manual training, **May 6th or 14th** from **9 AM to Noon**, Division of Accounting Conference Center, 2nd Floor, Webb Bldg, 820 Silver Lake Blvd, Silver Plaza, Dover.
- Capital Asset Data Entry and Payment Voucher training, DTI Computer Lab, 801 Silver Lake Plaza, Dover on **May 6th or 14th, from 1 to 4 PM** OR **May 8th, 12th, 13th, or 19th from 9 AM to Noon.**

Please fill out the registration form at <http://www.state.de.us/account/TrainingCourses.shtml>

Thank you for your cooperation. If you have any questions concerning the above, please contact Dawn Haw-Young at (302) 672-5516 or Linda Murabito at (302) 672-5527.

MEMORANDUM

TO: Dawn Haw-Young, CPA
Division of Accounting

FROM: _____

DEPT: _____

SUBJECT: PROPERTY INVENTORY RECONCILIATION - FY 2008

I certify that a physical inventory has been performed and reconciled with the annual GAAP Report of Capital Assets (F25F2705) as of _____.

Furthermore, the Fixed Asset Accounting Subsystem (FAAS) has been updated to reflect all purchases and acquisitions as well as deletions during the past fiscal year.

Signed: _____
Responsible official

Date: _____

This form is due in the Division of Accounting by **July 30, 2008.**
(FAX number 302-739-1304)

**FY 2008 FIXED ASSET
Class Registration Form**

CLASSES FOR CAPITAL ASSET POLICY MANUAL TRAINING:

Classroom training will be held on **May 6th or 14th from 9 AM to Noon** at the Division of Accounting, 2nd Floor of the Webb Building, 820 Silver Lake Blvd., Dover.

NOTE: Not required if previously taken, unless refresher training is needed.

Please fill in the appropriate section below and return your registration early, as **class size is limited**. Your registration will be confirmed.

First	Last Name	Agency #	Dept	Division	Phone	Training Date
Example						
Lewis	Brooks	25-05-01	Finance	Accounting	672-5524	05/06/08

CLASSES FOR CAPITAL ASSET DATA ENTRY AND PAYMENT VOUCHER TRAINING:

This is a lecture and hands-on computer training at the DTI Computer Lab, Dover on **May 6th or 14th from 1 to 4 PM OR May 8th, 12th, 13th, or 19th from 9 AM to Noon.**

First	Last Name	Agency #	Dept	Division	Phone	Training Date

For directions to both class locations, please use Mapquest, or similar on-line software.

Return completed form by April 21, 2008 to Lewis Brooks at Lewis.Brooks@state.de.us
For those *without* Internet or electronic file transfer capability, fax your form to 739-1200.
